



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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August 12, 2013

VIA ECF

Hon. Chief Judge Norman A. Mordue
U.S. District Court for the Northern District of New York
100 South Clinton Street
P.O. Box 7367
Syracuse, NY 13261-7367

RE: SEC v. Matthew J. Ryan, et al., 1:10-CV-513 (NAM/RFT)

Dear Judge Mordue:

I am one of the attorneys representing plaintiff Securities and Exchange Commission ("Commission") in the action referenced above. Pursuant to the Court's order dated August 5, 2013, I write to report to the Court regarding the status of this litigation.

Commission's Claims Against Matthew Ryan: The Commission's claims for monetary relief may be affected by any restitution ordered in the parallel criminal proceeding, United States v. Matthew John Ryan, 10 Cr. 319 (N.D.N.Y.). For efficiency, the Commission intends to move for summary judgment against defendant Ryan (if no settlement can be reached) once the amount of restitution has been resolved in the criminal proceeding.

Status of Intervenor Claims: It is our understanding that no unresolved issues exist relating to relief requested by the intervenors.

Status of Funds To Be Turned Over by the Receiver: On February 13, 2013, the Receiver for Prime Rate and Return LLC remitted \$71,927.72 to the Commission, reflecting proceeds collected by the Receiver, less the fees approved by the Court in its order dated January 14, 2013 ("January 14 Order"). The Receiver has informed us that he expects to receive payment shortly from the sale of the 17 First Street property referenced in the January 14 Order, and will thereafter remit the proceeds of this sale to the Commission, less the fees approved by the Court. As set forth in the January 14 Order, the Commission will distribute these funds to injured investors and will submit a distribution plan for the Court's approval.

Respectfully submitted,

A handwritten signature in black ink, reading "Kristine M. Zaleskas", is written over a horizontal line.

Kristine M. Zaleskas
Senior Attorney

cc: Attorneys of record (via ECF)
Matthew Ryan (via U.S. Mail)